



GOVERNMENT OF PUERTO RICO
Office of the Commissioner of Insurance

June 25, 2019

CIRCULAR LETTER NO. CC-2019-1949-D

TO ALL INSURERS AUTHORIZED TO DO BUSINESS IN PUERTO RICO, THEIR MANAGERS, GENERAL AGENTS, ADJUSTERS, AND THE GENERAL PUBLIC

CLARIFICATION OF THE TERM FOR BRINGING LEGAL ACTION AGAINST INSURERS AND APPLICABILITY OF THE APPRAISAL PROCESS TO CLAIMS RELATED TO HURRICANES IRMA AND MARÍA.

Dear Sirs and Madams:

The press and social media have recently circulated advertisements by law firms stating that the deadline for condominium residents, businesses, or commercial property insurance policyholders to bring legal action before the courts against their insurers for claims related to the Hurricane María is this coming September 20, 2019, which is not correct.

We must clarify that on November 27, 2018, the Legislature approved Act No. 242-2018, specifying that the term stated in property insurance policies for bringing legal action against an insurer, "Suit Against Us," is interrupted upon notice of a claim to the insurance company or its authorized representative, as provided in Section 1873 of the Puerto Rico Civil Code. Furthermore, Act No. 242-2018 expressly states that the effect of interruption by the notice of claim to the insurance company or its authorized representative is **applicable even when the claim was made as a consequence of the impact of Hurricanes Irma and/or María in September 2017.**

Likewise, it should be reiterated that after the approval of Act No. 242-2018, the Superior Division of the Court of First Instance at the San Juan, Judicial Center in Civil Case Number SJ2018CV07583, in a Declaratory Judgment ruled that **"it should be clear that the term in Puerto Rico for bringing a claim against an insurance company for damages suffered as a consequence of Hurricanes Irma and María is of a prescriptive nature subject to interruption."**

In addition, it must be noted that in addition to the established right to legal recourse, the approval of Act No. 242-2018 provided the insured with the alternative of settling out of court through the appraisal process controversies with their insurers regarding the damages or losses that are the object of the property insurance claim. The provisions regarding the appraisal process in said Law



No. 242 are equally applicable to the claims arising from Hurricanes Irma and María.¹ Under these circumstances, the Office of the Commissioner of Insurance, through Ruling Letter CN- 2019-248-D, established guidelines to govern the appraisal process and a form, “Request for Appraisal Proceeding,” so that any party that wishes to do so may request from another to initiate an appraisal process, thereby offering an out of court alternative to the parties for achieving a binding resolution of the dispute regarding the amount of the damages or losses that gave rise to the property insurance claim, including claims that are pending resolution, and that are a consequence of Hurricanes Irma and María.

Compliance with the provisions of this letter is hereby required.

Very truly yours,



Javier Rivera Ríos, LUTCF
Commissioner of Insurance of Puerto Rico

¹ See the opinion on the retroactivity of Act Nom. 242-2018, issued by the Secretary of Justice, OP. 2019-01, Consultation A-14-19 March 8, 2019.